

**RAPIDES CHILDREN'S ADVOCACY
CENTER, INC.**

Annual Financial Report

For the Year Ended December 31, 2012

Rapides Children's Advocacy Center, Inc.

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Independent Auditor's Report

Board of Directors
Rapides Children's Advocacy Center, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Rapides Children's Advocacy Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2012, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained on *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

ROBERT W. DVORAK, C.P.A.

REBECCA B. MORRIS, C.P.A.

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CINDY L. HUMPHRIES, C.P.A.

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PAYNE, MOORE & HERRINGTON, LLP

Board of Directors
Rapides Children's Advocacy Center, Inc.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rapides Children's Advocacy Center, Inc. as of December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of TANF revenue and expenses on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2013, on our consideration of Rapides Children's Advocacy Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rapides Children's Advocacy Center, Inc.'s internal control over financial reporting and compliance.

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

May 30, 2013

Rapides Children's Advocacy Center, Inc.
Statement of Financial Position
December 31, 2012

Exhibit A

Assets

Current Assets

Cash	\$ 356,668
Accounts receivable	202,742
Prepaid expenses	1,851
Total Current Assets	<u>561,261</u>

Certificate of Deposit 100,000

Investments 1,092,231

Property, Plant, and Equipment - Net of Depreciation 360,987

Other Assets

Deposits	<u>300</u>
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Total Assets \$ 2,114,779

Liabilities and Net Assets

Current Liabilities

Accounts payable	\$ 14,259
Accrued liabilities	<u>5,267</u>
Total Current Liabilities	19,526

Net Assets

Unrestricted net assets	
Operating	834,178
Board designated - Long-term investment plan	1,138,273
Temporarily restricted net assets	<u>122,802</u>
Total Net Assets	<u>2,095,253</u>

Total Liabilities and Net Assets \$ 2,114,779

The accompanying notes are an integral part of the financial statements.

Rapides Children's Advocacy Center, Inc.
Statement of Activities
Year Ended December 31, 2012

Exhibit B

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and Support			
Contributions	\$ 32,366	\$ -	\$ 32,366
Fundraising events	76,367	-	76,367
Grants	86,354	624,664	711,018
Court costs	77,098	-	77,098
Investment income			
Interest and dividends	50,839	-	50,839
Unrealized gain (loss) on investments	81,638	-	81,638
Gain on sale of fixed assets	22,701	-	22,701
Net assets released from restrictions	586,470	(586,470)	-
Total Revenue and Support	<u>1,013,833</u>	<u>38,194</u>	<u>1,052,027</u>
Functional Expenses			
Program Services			
Forensic interviewing	295,408	-	295,408
CASA	391,410	-	391,410
Total Program Services	<u>686,818</u>	<u>-</u>	<u>686,818</u>
Supporting Services			
Management and general	66,061	-	66,061
Fundraising	25,989	-	25,989
Total Supporting Services	<u>92,050</u>	<u>-</u>	<u>92,050</u>
Total Functional Expenses	<u>778,868</u>	<u>-</u>	<u>778,868</u>
Increase (decrease) in net assets	234,965	38,194	273,159
Net Assets - Beginning of Year	1,691,676	130,418	1,822,094
Prior Period Adjustment - Correction of Error	45,810	(45,810)	-
Net Assets, Beginning of Year as Restated	<u>1,737,486</u>	<u>84,608</u>	<u>1,822,094</u>
Net Assets - End of Year	<u>\$ 1,972,451</u>	<u>\$ 122,802</u>	<u>\$ 2,095,253</u>

The accompanying notes are an integral part of the financial statements.

Rapides Children's Advocacy Center, Inc.
Statement of Functional Expenses
Year Ended December 31, 2012

Exhibit C

	Program Services		Supporting Services			Total Expenses
	Forensic Interviewing	CASA	Total	Management and General	Fundraising	Total
Advertising	\$ 2,128	\$ 8,105	\$ 10,233	\$ -	\$ -	\$ 10,233
Payroll taxes and benefits	26,198	37,037	63,235	3,271	-	66,506
Salaries	172,250	243,515	415,765	21,508	-	437,273
Telephone and utilities	11,426	16,153	27,579	1,427	-	29,006
Supplies	19,078	14,805	33,883	157	-	34,040
Insurance	11,304	4,441	15,745	2,600	-	18,345
Professional services	16,785	15,995	32,780	21,879	-	54,659
Depreciation/amortization	16,753	23,684	40,437	2,092	-	42,529
Travel and education	16,220	13,778	29,998	758	-	30,756
Other	3,266	13,897	17,163	12,369	25,989	55,521
Total Expenses	\$ 295,408	\$ 391,410	\$ 686,818	\$ 66,061	\$ 25,989	\$ 778,868

The accompanying notes are an integral part of the financial statements.

Rapides Children's Advocacy Center, Inc.
Statement of Cash Flows
Year Ended December 31, 2012

Exhibit D

Cash Flows from Operating Activities

Change in net assets	\$ 273,159
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:	
Depreciation	42,529
Gain on disposition of property and equipment	(22,701)
Unrealized (gain) or loss on investments	(81,638)
Changes in operating assets and liabilities:	
Accounts receivable	(49,835)
Prepaid expenses	3,174
Accounts payable	(10,133)
Accrued liabilities	(3,479)
Net Cash Provided by (Used in) Operating Activities	<u>151,076</u>

Cash Flows from Investing Activities

Purchase of investments	(242,738)
Purchase of property and equipment	(121,094)
Proceeds from the sale of investments	218,483
Proceeds from sale of property and equipment	134,780
Net Cash Provided by (Used in) Investing Activities	<u>(10,569)</u>

Net Cash Provided by (Used in) Financing Activities

	<u>-</u>
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Net Increase (Decrease) in Cash	140,507
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Cash, Beginning of Year	<u>216,161</u>
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Cash, End of Year	<u><u>\$ 356,668</u></u>
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Additional Required Disclosures:

- | | |
|--|--------|
| 1. Cash paid during the year for interest. | \$ 169 |
| 2. No amounts were paid for taxes during the year. | |
| 3. There were no material noncash investing or financing transactions during the year that affected recognized assets and liabilities. | |

The accompanying notes are an integral part of the financial statements.

Rapides Children's Advocacy Center, Inc.
December 31, 2012

Notes to Financial Statements

1. Summary of Significant Accounting Policies:

Organization

The Rapides Children's Advocacy Center (the Center) is a non-profit organization which utilizes an interagency approach to the investigation, prosecution, and treatment of child sexual and physical abuse. The mission of the Center is to lessen the trauma experienced by child abuse victims as allegations are investigated and to provide support for the child victim in any resulting proceeding within the criminal justice system. Program activities conducted in pursuit of this mission are described as follows:

- Forensic Interviewing – Child protection and law enforcement agencies refer children to the Center for confidential interviews regarding reports of child abuse. The interviews are conducted by specially trained professionals in a home-like setting. Interviews are recorded on videotape while making every effort to help the child feel safe, comfortable, and supported. In addition, therapy services performed by a trained licensed professional are offered to children participating in the interview process.
- CASA – Court Appointed Special Advocates (CASAs) are trained community volunteers appointed by the judge to represent the interests of abused and neglected children. CASAs conduct an independent investigation for the purposes of providing the court with objective recommendations regarding the child's best interest. The Center recruits, screens, and trains CASA volunteers.

Basis of Presentation

The financial statements have been prepared on the accrual basis in conformity with generally accepted accounting principles.

As required by Generally Accepted Accounting Standards, net assets and activities are classified in the following manner:

- Unrestricted – Net assets that are not subject to significant donor imposed restrictions.
- Temporarily Restricted – Net assets subject to certain donor imposed restrictions and restrictions imposed by grant agreements. Temporary restrictions apply when the restriction can be fulfilled by actions of the Center or by the passage of time.
- Permanently Restricted – Net assets subject to donor imposed restrictions that require these assets to be maintained in a perpetual manner.

Cash and Cash Equivalents

Cash and cash equivalents represent bank deposits and highly liquid investments with original maturities of three months or less.

Rapides Children's Advocacy Center, Inc.
December 31, 2012

Notes to Financial Statements

Promises to Give

As required by generally accepted accounting principles, unconditional promises to give are reported as revenue when the promise is made. Conditional promises to give are recognized as revenue when the necessary conditions are fulfilled.

Prepaid Expenses

Prepaid expenses include insurance premiums paid prior to year-end for coverage included in the next year.

Certificates of Deposit

Certificates of deposit have a maturity date in excess of 90 days when purchased and are stated at cost, which approximates market value. The certificate of deposit is held at a local financial institution and earned interest at a rate of .65% in 2012.

Investments

Investments consist of marketable securities that are reported at fair market value based on quoted market prices. Equity investments that are not actively traded are reported at cost when fair market values are not available.

Fixed Assets

Fixed assets are recorded at cost on the date of acquisition. Additions and betterments of \$1,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. Donated property is recorded at the estimated fair value upon receipt. Depreciation is computed using accelerated methods over estimated useful lives ranging from 5 to 39 years.

Assets donated with explicit restrictions regarding their use and contributions of cash earmarked to acquire property and equipment are reported as temporarily restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Center reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Compensated Absences

Employees are allowed to accumulate and carry over a maximum of 40 hours of vacation time per year. Actual amounts carried over were immaterial at December 31, 2012.

Donated Services

Volunteers are utilized extensively for both program and supporting services. Contributed services are recognized if the services require specialized skills and the Center would be required to purchase these services if donated services were not available. None of the contributed services received during the year ended December 31, 2012, were recognized as revenue.

Rapides Children's Advocacy Center, Inc.
December 31, 2012

Notes to Financial Statements

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising

The Center's advertising programs are not considered to have any significant benefits for future periods. Accordingly, advertising costs are expensed as incurred.

Income Taxes

The Center is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Furthermore, the Center is not classified as a "private foundation" by the Internal Revenue Service.

Estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires certain estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through May 30, 2013, the date which the financial statements were available for issue.

2. Cash

Demand deposits	\$ 310,625
Money market accounts	<u>46,043</u>
	\$ 356,668

3. Receivables

Grants and pledges receivable consisted entirely of unconditional promises to give. Details regarding the amount reported on the Statement of Financial Position are provided as follows:

Grants and pledges	\$ 132,079
Court costs	<u>70,663</u>
	\$ 202,742

Receivables are considered entirely collectible and there is no allowance for doubtful accounts. Furthermore, the entire balance is considered collectible within one year.

Rapides Children's Advocacy Center, Inc.
December 31, 2012

Notes to Financial Statements

4. Investments

Investment securities are reported at quoted market prices. Investment securities held at year end are described as follows:

Fixed income securities	\$ 216,220
Mutual funds	264,858
Exchange traded products	517,166
Unit investment trust	52,827
Real estate investment trust	41,160
	<u>\$ 1,092,231</u>

Fixed income securities consist of various bond issues that are described more fully as follows:

	<u>Moody Rating</u>	<u>Maturity Date</u>	<u>Rate</u>	<u>Total</u>
General Electric Capital	A1	09/15/20	5.900%	\$ 69,117
Merrill Lynch Subordinated Notes (Callable)	BAA2	05/16/16	6.050%	44,034
Goldman Sachs Group	A3	03/15/20	5.375%	45,841
Morgan Stanley Group (Callable)	BAA1	08/28/17	6.250%	57,228
				<u>\$ 216,220</u>

Mutual funds consist of various professionally managed investment arrangements designed to invest in various securities. Details related to mutual fund holdings are described as follows:

<u>Investment Category</u>	
Domestic convertible securities	\$ 33,280
Intermediate term bonds	105,366
High yield bonds	23,222
World bonds	64,658
Variable rate senior corporate debt	38,332
	<u>\$ 264,858</u>

Exchange traded products are investment vehicles that are traded on various stock exchanges. These funds are invested in various securities in a manner designed to track various market indices that are more fully described as follows:

Rapides Children's Advocacy Center, Inc.
December 31, 2012

Notes to Financial Statements

		Manager	
		State Street Global Advisors	
	IShares		Total
<u>Market Index</u>			
Morgan Stanley Capital International – Emerging Markets	\$ 32,597	\$ -	\$ 32,597
IBOXX Bond Index	96,792	-	96,792
S & P 500 Citigroup Growth	73,468	-	73,468
S & P North American Natural Resources Sector	46,555	-	46,555
Morgan Stanley Capital International – Europe, Australasia, and Far East	46,341	-	46,341
S & P Midcap 400/Citigroup Value	39,222	-	39,222
S & P Smallcap 600/Citigroup Value	39,646	-	39,646
S & P U.S. Preferred Stock	51,506	-	51,506
Utilities Select Sector	-	56,745	56,745
Alerian Master Limited Partnership ETF	-	34,294	34,294
	<u>\$ 426,127</u>	<u>\$ 91,039</u>	<u>\$ 517,166</u>

A Unit Investment Trust is an investment vehicle intended to hold a portfolio of securities for a specific length of time. The Center participates in a single unit investment trust that holds a diversified portfolio of common stocks.

A real estate investment trust (REIT) invests in commercial properties, industrial properties, and loans secured by real estate. Shares in the REIT are not actively traded but shareholders are offered an opportunity to redeem shares at amounts based on estimated fair market values. The estimated fair market values have been determined based on valuations provided by third party real estate advisors. Management has evaluated these shares for impairment and determined that there were no circumstances or events that are expected to have an adverse impact on the value of the REIT investments.

5. Fair Values

The Center is required to disclose estimated fair value for all financial instruments and non financial instruments measured at fair value on a recurring basis. The fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels as follows:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Rapides Children's Advocacy Center, Inc.
December 31, 2012

Notes to Financial Statements

The Center uses the appropriate valuation technique based on the available inputs to measure the fair value of its investments.

Details regarding assets measured at fair value on a recurring basis are provided as follows:

Description	Fair Value Measurement at Reporting Date Using			
	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
12/31/12				
Fixed income securities	\$ 216,220	\$ 216,220	\$ -	\$ -
Mutual funds	264,858	264,858	-	-
Exchange traded products	517,166	517,166	-	-
Unit investment trust	52,827	-	52,827	-
Real estate investment trust	41,160	-	41,160	-
Total Investments	\$ 1,092,231	\$ 998,244	\$ 93,987	\$ -

A reconciliation of fair values measured using Level 2 inputs is provided as follows:

Fair Value Measurements Using Level 2 Inputs

Beginning Balance	\$ 92,140
Investment income reinvested	3,130
Unrealized gain (loss) on investment	(1,283)
Ending Balance	\$ 93,987

6. Fixed Assets

Office building	\$ 219,151
Furniture, fixtures, and equipment	354,099
Leasehold improvements	88,812
Total fixed assets	662,062
Accumulated depreciation	(301,075)
Fixed assets, net of accumulated depreciation	\$ 360,987

Depreciation expense for 2012 was \$42,529.

7. Board Designated Funds

In order to establish reserves and generate investment income, the Board of Directors has established a long-term investment plan. Amounts held in money market accounts and investment securities have been designated for the long-term investment plan. Accordingly, these assets are presented as Board Designated in the accompanying Statement of Financial Position.

8. Temporarily Restricted Net Assets

The unexpended portion of various grants and contributions has been classified as temporarily restricted net assets due to restrictions imposed by various grantors and donors. Temporarily restricted net assets at year-end consist of the following:

Rapides Children's Advocacy Center, Inc.
December 31, 2012

Notes to Financial Statements

Red River Delta	\$ 80,179
Central Louisiana Community Foundation	14,976
Rapides Foundation	<u>27,647</u>
	\$ 122,802

9. Prior Period Adjustment

The Statement of Activities for the year ended December 31, 2012 includes a prior period adjustment that reclassifies temporarily restricted net assets as unrestricted net assets. Expenditures in the amount of \$45,810 were made toward the purchase of the mobile unit, which were covered by several grants. The 2011 Statement of Activities failed to show the amount as released from restrictions in 2011.

10. Conditional Promises to Give

The Center is the recipient of TANF (Temporary Assistance for Needy Families) Funds that are available on a cost reimbursement basis. Based on the terms of the grant agreement, TANF awards are not considered revenue until expenses qualifying for reimbursement are incurred. Accordingly, the unexpended portion of TANF awards is considered to be a conditional promise to give. At December 31, 2012, conditional promises to give totaled \$159,944 and consisted entirely of TANF funds.

11. Contingent Liabilities

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Any disallowed claims, including amounts already collected, could become a liability of the Center. The Center's management believes disallowances, if any, will not be material.

12. Concentrations of Credit Risks

The Center maintains a checking account and a certificate of deposit at a local financial institution which are insured by the Federal Deposit Insurance Corporation up to \$250,000. The uninsured cash balance at December 31, 2012, was \$158,770. The Center also has an investment account with two brokerage firms which are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000 each. There were no uninsured balances held in the brokerage firms at December 31, 2012.

TANF and Red River Delta provided \$408,482 in grants, which is approximately 39% of total revenue and support. Without these grants, programs would be significantly affected.

13. Leases

The Center entered into a lease agreement to rent an office facility to conduct the forensic interviewing services. The term of the lease agreement covers the period from January 1, 1996, to December 31, 2013. Under this agreement, the Center agrees to operate the facility as a Children's Advocacy Center for the benefit of the community, pay for any remodeling, and pay an annual rental of \$1 due at the beginning of the lease. The Center made leasehold improvements to this facility in the amount of \$88,812. The majority of these improvements were made at the beginning of the lease period. These improvements are being depreciated over their useful lives.

Rapides Children's Advocacy Center, Inc.
December 31, 2012

Notes to Financial Statements

14. Retirement Plan

The Center provides the option for employees to participate in a 403(b) tax deferred retirement plan. An employee is immediately eligible to participate in this plan. Participants are allowed to make individual voluntary contributions to the plan through salary deferral. The maximum allowable contributions are regulated by the Internal Revenue Service regulations. The Center does not make any matching or discretionary retirement plan contributions.

Additional Information

**Rapides Children's Advocacy Center, Inc.
Schedule of TANF Revenue and Expenses
Year Ended December 31, 2012**

Schedule 1

TANF Revenue

Grant revenue	\$ 273,728
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TANF Expenses

Salaries	\$ 184,691
Payroll taxes and benefits	32,327
Professional services	200
Operating expenses	19,554
Travel	6,788
Training	1,401
Supplies	3,255
Printing/copying	3,238
Administration - TANF funded	22,274
	\$ 273,728

**Independent Auditor's Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based
on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Independent Auditor's Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based
on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

Board of Directors
Rapides Children's Advocacy Center, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Rapides Children's Advocacy Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2012, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 30, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rapides Children's Advocacy Center, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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DEBORAH H. DUNN, C.P.A.

MICHAEL A. JOWEAD, C.P.A.

REBECCA G. NATION, C.P.A.

EVELYN RENFROW, C.P.A.





PAYNE, MOORE & HERRINGTON, LLP

Board of Directors
Rapides Children's Advocacy Center, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Payne, Moore & Herrington, LLP

Certified Public Accountants
Alexandria, Louisiana

May 30, 2013

Rapides Children's Advocacy Center, Inc.
Schedule of Findings and Responses
Year Ended December 31, 2012

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes x No

Control deficiency identified
not considered to be a material
weakness? _____ Yes x None reported

Noncompliance material to financial
statements noted? _____ Yes x No

Management's Corrective Action Plan Not applicable

*Management's Summary Schedule of Prior
Audit Findings* Not applicable

*Memorandum of Other Comments
And Recommendations* None issued

Federal Awards Not applicable

Section II - Financial Statement Findings

Not applicable.

Section III - Federal Award Findings and Questioned Costs

Not applicable.